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TAGS: [KPAO](#) [OPRC](#) [KMDR](#) [PREL](#) [MEDIA](#) [REACTION](#)  
SUBJECT: MEDIA REACTION PALESTINE ELECTIONS BILATERAL  
RELATIONS US-URUGUAYAN FTD FREE TRADE DEALS LATIN  
AMERICAN LEADERS 01/25/06

#### 1. SUMMARY STATEMENT

Today's leading international stories include White House expectations regarding Palestinian elections; speculation about the next US ambassador to Buenos Aires; the continued back and forth on alleged US-Uruguayan free trade discussions; the benefits of free trade agreements with the US; and the 'tilt' to the left among current Latin American leaders.

#### 2. OPINION PIECES AND KEY STORIES

- "A big dilemma for the White House"

Hugo Alconada Mon, Washington-based correspondent for daily-of-record "La Nacion," comments (01/25) "The Bush administration is getting ready to reduce its diplomatic ties and financial aid for the Palestine National Authority to their minimum in view of Hamas possibly taking power in today's elections.

"The US Department of State terms Hamas a terrorist organization and believes its eventual election triumph... will isolate even further Palestinian territories from the international community."

- "Neither Argentina nor the US knows who their future ambassadors will be"

Ana Baron, Washington-based correspondent for leading "Clarín," comments (01/25) "Rumors and lack of official decision about who will be the future of Argentine Ambassador to Washington Jose Octavio Bordon and who will replace US Ambassador to Buenos Aires Lino Gutierrez have created large uncertainty on how the relationship between the two countries will be handled.

"Regardless of rumors and media speculation, the issue is significant because while the tension created by the SOA started to diminish as a result of the trip of A/S Tom Shannon to Buenos Aires, mistrust of the two sides is still latent and disagreement has not disappeared.

"... The candidate of the US Department State is Earl Anthony Wayne, current US Assistant Secretary for Economic and Business Affairs. But the White House still has some doubts... There are other political candidates. Texan lobbyists have one - current US executive director at the IDB Hector Morales.

"All consulted sources in Buenos Aires and Washington pointed out that President Kirchner himself will decide who will succeed Bordon."

- "Uruguay dismisses a free trade deal with the US"

Leading "Clarín" reports (01/25) "The Uruguayan government firmly dismissed the signature of a free trade deal with the US..."

"According to El Observador newspaper, Uruguayan President Tabare Vazquez made public through his Education and Culture Minister Jorge Brovetto that the signature of a free trade deal (with the US) is not in the government's agenda..."

"The Uruguayan government intends to increase its trade with China, India and the US, but it will respect the Frente Amplio program, which opposes a bilateral trade deal with the US."

- "US partners increase their exports through FTA"

Patricia Valli, columnist of business-financial, center-right "InfoBae," writes (01/25) "Based on the creation of 'fast track' authority, the US negotiated several free trade agreements, the most important of which are those signed with Australia, Singapore and Chile. After the implementation of those preferential deals, the average increase in trade between signatory countries and the US was 40%."

"... Australia's exports to the US increased over 60% vis--vis those of 2004..., while Chile's trade with

the US increased by 31% during 2004."

### 13. EDITORIALS

- "A new political theory"

Conservative "La Prensa" carries an editorial (01/25) "The left wing has taken over in several Latin American countries... According to Enrique Iglesias, Ibero-American Secretary General, 'We hear President Morales saying that he wants to solve social problems within the framework of democracy and the market. This is an important fact that was not mentioned in the '80s.'"

"... Luckily, no current serious leader questions the need for macroeconomic stability, relative trade opening, foreign investment, and a positive relationship with the US. But, as the proverb goes, God and the devil are in the details."

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GUTIERREZ